

## **New licensing requirements for Washington State lenders**

You received this letter because your business practices may be affected by new laws passed during the 2008 Washington legislative session. Specifically, you can no longer lend to Washington residents under the Mortgage Broker Practices Act (MBPA), chapter 19.146 RCW.

Senate Bill 6471 (chapter 78, Laws of 2008), passed by the legislature, and signed by the Governor on March 19, 2008, requires that all lenders doing business in Washington be licensed by the Department of Financial Institutions under the Consumer Loan Act (CLA), chapter 31.04 RCW. The law becomes effective June 12, 2008. To meet the June 12 licensing deadline, you have two options for licensing.

The Department has joined a national licensing initiative called the Nationwide Mortgage Licensing System (NMLS). Some of you may have already joined the NMLS because you are licensed as a mortgage broker in a state that joined the NMLS in January of this year. The NMLS also facilitates the licensure of lenders and the Washington lender licensing section will be available to you for licensing beginning May 1, 2008.

Between now and April 18, you may apply for a CLA license by using our paper application process with forms from the Department's website. However, because use of the national licensing system is mandatory for all CLA licensees by the end of 2008, we encourage you to wait until May 1 to apply directly into the national system in order to avoid duplicative application work. We will accept paper applications for a CLA license through April 18.

The Department has created a number of resources for you on our website:

For links to SB 6471 and other important bills, go on-line to:

<http://dfi.wa.gov/cs/loan.htm>

You can preview the application materials on-line at:

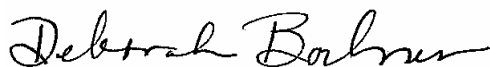
[http://dfi.wa.gov/cs/consumer\\_loan\\_apply.htm](http://dfi.wa.gov/cs/consumer_loan_apply.htm)

You can preview features of the NMLS on-line at:

<http://www.stateregulatoryregistry.org/NMLS//AM/Template.cfm?Section=Home3>

Please feel free to call our licensing team with questions; you can reach licensing staff members by calling (360) 902-8703.

Sincerely,



Deborah Bortner, Director  
Division of Consumer Services